


**Government of the District of Columbia
Office of the Chief Financial Officer**



Natwar M. Gandhi
Chief Financial Officer

MEMORANDUM

TO: The Honorable Vincent C. Gray
Chair, Council of the District of Columbia

FROM: Natwar M. Gandhi
Chief Financial Officer 

DATE: JUL 10 2007

SUBJECT: Fiscal Impact Statement: "Jobs for D.C. Residents
Amendment Act of 2007"

REFERENCE: Bill Number 17-185

Conclusion

Funds are not sufficient in the proposed FY 2008 through FY 2011 budget and financial plan to implement the proposed legislation. The D.C. Department of Human Resources (DCHR) would need additional staff to complete the auditing provision of the proposed legislation. The proposed legislation would have a negative impact of approximately \$983,000 over the FY 2008 through FY 2011 period.

Background

The proposed legislation would amend the District of Columbia Comprehensive Merit Personnel Act of 1978¹ to increase from 5 to 10 the amount of hiring preference points District residents receive when applying for employment in the Career Service with the District government.² The applicant claiming hiring preference would have to provide proof of residency, and if hired, would have to agree in writing to maintain District residency for a period of 7 consecutive years from the effective date of hire. Said employee would have to provide proof of such residency annually to the Director of Personnel for the first 7 years of employment. Failure to maintain residency for the 7-year period would result in forfeiture of employment.

¹ D.C. Law 2-139; D.C. Official Code § 1-601.01 *et seq.*

² The applicant can choose to waive this hiring preference.

Under the proposed legislation, the Mayor would have to conduct annual audits of each subordinate agency's personnel records to ensure that all persons claiming residency preference at time of hiring are indeed bona fide District residents. Audit reports would have to be submitted annually to the Council.

Furthermore, the proposed legislation provides an *additional* 5-point hiring preference for District residents who apply for positions at the Anacostia Waterfront Corporation (AWC); the National Capital Revitalization Corporation (NCRC); the District of Columbia Housing Finance Agency (DCHFA); the Washington Convention Center Authority (WCCA); the Water and Sewer Authority (WASA); the District of Columbia Housing Authority (DCHA); the Sports and Entertainment Commission (SEC); the District of Columbia Delegation Fund Commission (DCDFC); the Public Parking Authority (PPA); the Office of the People's Counsel (OPC); the Advisory Commission on Sentencing (ACS); the Public Charter School Board (PCSB); the District of Columbia Retirement Board (DCRB); the Office of Employee Appeals (OEP); the Board of Elections and Ethics (BEE); the University of The District of Columbia (UDC); the Criminal Justice Coordinating Council (CJCC); and the Office of the Zoning Commission (OZC).³

Financial Plan Impact

Funds are not sufficient in the proposed FY 2008 through FY 2011 budget and financial plans to implement the proposed legislation.

The D.C. Department of Human Resources (DCHR) would need additional staff to complete the auditing provision of the proposed legislation. This includes an additional Hearing Examiner, Compliance Investigator, and Program Specialist. The proposed legislation would have a negative impact of approximately \$983,000 over the FY 2008 through FY 2011 period.⁴ Such funding is not included in DCHR's FY 2008 budget.

Estimated Revenue Impact to the Financial Plan				
FY 2008	FY 2009	FY 2010	FY 2011	4 -Year Total
\$218,859	\$239,438	\$254,487	\$270,005	\$982,789

³ The following would also require the respective Executive Director, General Manager, or Commissioner to be a District resident: DCHFA, WCCA, WASA, DCHA, SEC, DCDFC, PPA, OPC, PCSB, DCRB, OEA, BEE, and OZC.